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July 7, 2006

Mr. Charles L.A. Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Re: Application of Midlands Utility, Incorporated ("Midlands") for Approval
of a Contract for the Transfer and Sale of Certain of Its Sewerage
Collection Systems within Lexington County, South Carolina to the City
of Cayce
Docket No. 2006-125-S

Dear Mr. Terreni:

The South Carolina Office of Regulatory Staff ("ORS") has reviewed Midlands' application for approval of the contract for the transfer and sale of certain of its sewerage collection systems to the City of Cayce. Based upon its review, ORS does not oppose Midlands' request as set forth in its application.

Please let me know if you have any questions.

Sincerely,

Wendy B. Cartledge

Wendy B. Cartledge

WBC/pjm

cc: Scott Elliott, Esquire
Willie J. Morgan